

SWARTHMORE CO-OP BOARD OF DIRECTORS

MINUTES OF MEETING

September 22, 2014

The meeting, which was held in Swarthmore borough Hall, began at 7:00 PM.

Present were President, Martyn Harding, Vice President, Carol Savery, Secretary, Pam Bartholomew, Treasurer, Michael Markowicz, Board members Don Delson, Andy Rosen, Bob Scott, Helen Nadel and Karen Shore and Interim General Manager, Sara Yoo, Business Manager, Aliya Glenn and Marketing Director Hilary Wickham.

Approval of Minutes

The minutes of the August 25, 2014 meeting were approved on a motion by Don, seconded by Bob. The Board unanimously approved.

Marketing Presentation

- The meeting began with a presentation by Marketing Director, Hilary Wickham. In response to a request to follow up on the current logo(s) being used, she showed us 4 logos that had “been in the mix” with the previous marketing director. Her goal has been to strengthen the association of the Co-op brand with the tomato logo rather than the pig logo. She explained that her choice of the plain tomato with a more legible block font is delivering consistency, legibility and clarity.
- Rebuilding the website is another important goal for 2015. Hilary described our current website as outdated and difficult to navigate, both for the public and for internal “owner” use. Don Delson agreed that there was revenue generating potential in an updated website, from better event notification, improving the aesthetics to membership and from access to home delivery through the site. Hilary felt that the cost of the upgrade was a necessary expenditure. She will present her recommendation to the board for inclusion in the 2015 budget.
- The Co-op also has 32 holiday spots on XPN as a result of a trade we made as the caterer at the XPN Festival.

GM Update

- Interim GM, Sara Yoo, outlined the managers’ recommendations to improve the bottom line.
- A “Respectful Workplace” Seminar for employees will be held at the store on November 9. Don made a motion that the Board approve closing the store

one hour early for the seminar. Helen seconded and the Board approved unanimously.

- Sara is searching for an alternate supplier to AWI, which recently declared bankruptcy and is for sale. Don explained that the Co-op has an equity investment of \$65k in AWI. The bankruptcy agreement has no provision for repaying investors, only creditors, so that will be an unrecoverable loss to the Co-op. He suggested that we create a policy that prohibits the Co-op from entering into any contract that requires an equity investment.

Bob Scott suggested that revising the B-3 Asset Protection Monitoring Report would be the appropriate place to include this policy. Bob will also outline the criteria for Board approval of contracts.

- Sara presented the proposed Parental Leave Policy. Karen Shore will offer language to finalize it for approval next month.

Finance Update

- Although a weak August is typical, the \$33k loss this August was a give back of all of the gains from the first seven months of this year. Aside from payments for severance and the search firm, the loss was primarily due to margin shortfalls in four departments. The Finance Committee/GM will work closely with managers on managing their margins, especially consistently passing price increases through to consumers.
- Our current financial position has put us in non-compliance with the DSCR required to refinance. The Finance Committee proposes that we approach NCB to extend our current loan for one year, then deal with refinancing when we are in compliance. Don reassured that the Co-op will be able to refinance. It is just a question of securing the best rate possible.

Bob Scott moved that NCB be approached for a one year extension of our loan. Andy seconded and the Board unanimously approved.

- NGCA- The Co-op was accepted to NGCA but only as an associate member. As such, we do not get the volume pricing benefits or discounts of full membership and decided that it was not worth joining. Sara explained that we did not satisfy their criteria of having a “stable” GM (i.e. in place for 6 months). We can reapply next year when the GM has been in place.

Board Decisions

GM Monitoring Reports

- B-6: Staff Treatment & Compensation
Discussion centered around acknowledging the “corrective action” of the Interim GM by noting non-compliance of the former GM & compliance of the current GM.

Michael made a motion to accept B-6, noting that the former GM was not in compliance with B-6.2 & B-6.3 while the current Interim GM is in compliance. The motion was seconded by Bob & unanimously approved by the Board.

- B-11: Succession

On a motion by Bob, seconded by Carol, B-311 was unanimously approved by the Board, noting non-compliance because of the current interim GM serving as both GM and Operations.

Board Process Self monitoring

- C-8: Governance Investment

Bob moved that the Board accept C-8, noting the areas of non-compliance, C-8.2a, b, & c. Carol seconded and the Board unanimously approved.

The Governance Committee will review for possible revisions.

Information Sharing and Discussion

- Education Committee- Cooking classes are scheduled for October & November. Helen will see if Hilary can design a card with the offerings so members can have a reference.
- Sunday Suppers- Sara said that Prepared Foods (Brendan & Ed) have been cooking because they have not had community businesses volunteer. Helen & Karen offered to help in any way.
- IT-Karen volunteered to review the data storage proposals for both the Board & operations. She also will look for an alternative to Backpack which is no longer being supported & therefore has limited long term viability.
- Our reaction to the Eden Foods issue at Weavers Way came up. Consensus was that because of our wide variety of products & lack of political litmus tests, it is appropriate for it to remain a customer level decision.

Review of Action Items

1. Website remake- recommend vendor & cost for 2015 budget. Hilary
2. Revise B-3 Asset Protection Monitoring Report for policy prohibiting contracts that require equity investment. Bob
3. Approach NCB for 1 year loan extension. Don & Michael
4. Define criteria for contracts that need Board approval-Bob
5. Parental Leave Policy: Karen will craft language on unpaid leave.
6. Martyn will ask Lisa Aaron if she is interested in continuing to serve on the Policy governance Committee.
7. Review C-8: Governance Investment for possible revision. Bob, Governance Committee
8. Explore on line data storage provider as an alternative to Backpack- Karen
9. Decline Associate Member status in NGCA- Aliya, Sara

Adjournment

The meeting was adjourned at 9:10 on a motion by Carol, seconded by Bob. An Executive Session followed.

Next Meeting

The next meeting will be held on Monday, October 27 at 7pm in the Community Room of the Swarthmore Borough Hall.

Respectfully submitted,

Pam Bartholomew
Secretary

Documents for the Meeting

Parental Leave

Co-op Board Agenda 9-22-14.doc

GM Report for August 2014.pdf

Co-op Aug 2014 Income Statement.pdf

Co-op Aug 2014 Cash Flow.pdf

Co-op Aug 2014 Balance Sheet.pdf

Co-op Board Minutes 8-25-2014.docx

B11 - Succession Sept 2014.doc

B6 Staff Treatment Monitoring Report Sept 2014.doc

Membership 2014.xlsx

